

By: Davis of Dallas

H.B. No. 3462

A BILL TO BE ENTITLED

AN ACT

relating to the comptroller's processing of a claim for a tax refund.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter C, Chapter 111, Tax Code, is amended by adding Section 111.1043 to read as follows:

Sec. 111.1043. PROCESSING REFUND CLAIMS. (a) Not later than the first anniversary of the date a claim for a refund is filed in accordance with this title, the comptroller shall:

(1) grant and pay the claim;

(2) wholly or partly deny the claim; or

(3) execute a settlement agreement with the claimant in an amount not less than 90 percent of the amount claimed for the refund.

(b) In addition to other penalties and interest prescribed under this title, a claimant is entitled to a penalty paid by the state in the amount calculated under this subsection if the comptroller's final decision following a hearing under Section 111.105 grants all or part of a refund claimed by the claimant that was previously denied by the comptroller. The amount of the penalty is equal to five percent of the amount of the refund granted in the final decision that was previously denied.

(c) Not later than December 1 of each even-numbered year, the comptroller shall submit a report to the governor, lieutenant

1 governor, and speaker of the house of representatives. The report
2 must include the following information regarding claims for tax
3 refunds filed with the comptroller during the preceding state
4 fiscal biennium, stated separately for each tax authorized by this
5 title or Title 3:

6 (1) the number of filed refund claims;

7 (2) the number of filed refund claims not processed in
8 the time required by Subsection (a);

9 (3) the reason each claim described by Subdivision (2)
10 was not timely processed;

11 (4) the number of settlement agreements described by
12 Subsection (a) that were executed;

13 (5) the dollar amount of each settlement agreement
14 described by Subdivision (4); and

15 (6) any other information the comptroller considers
16 relevant.

17 SECTION 2. This Act applies to a claim for a refund made on
18 or after the effective date of this Act, without regard to whether
19 the taxes that are the subject of the claim were due before, on, or
20 after that date.

21 SECTION 3. This Act takes effect September 1, 2017.